



U.S. Embassy Tunis, Tunisia

## Tunisia's Franchise Market

Certain sectors require no prior authorization from the government to operate.

### Sector List

Requiring no prior government authorization

#### Retail/

##### Distribution

- Perfumes, cosmetics and beauty products
- Clothing
- Shoes
- Leather products and goods
- Sportswear, athletic footwear
- Diet products
- Clocks and watches
- Giftware
- Eyewear
- Household products
- Furniture
- Indoor plants and flowers
- Hardware and sanitary ware
- Electronics and computers
- Bookstores
- Equipment for various sectors

#### Tourism

- Car Rental
- Recreation and leisure areas
- Hotel management

#### Training Services

- Training

#### Other economic activities

- Breakdown services / Emergency repair
- Beauty and hygiene salons
- Repair and maintenance (automotive, electronics)
- Smoking cessation services
- Care services in hotels
- Sea water therapy (Thalassotherapy)



## Contact Information

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# Franchising in Tunisia

A middle-income country with good infrastructure, Tunisia is a country ripe for U.S. franchises.

## New Legislation

Franchises already exist in Tunisia in a variety of sectors, but U.S. franchises are under-represented. Now is the time to explore this market!

In August 2009, the Tunisian government passed legislation defining franchising for the first time. Before this law, franchises were approved to operate on a case-by-case basis. In July and August 2010, the Tunisian government issued ministerial decrees outlining contract provisions and publishing a sector list in which franchises would need no prior authorization to operate in Tunisia. Franchises on this list, essentially, will be able to operate like any other foreign business in Tunisia.

Franchises on the sector list can enter into a contractual agreement with a Tunisian franchisee without any additional authorization requirement by the Government of Tunisia. The government has announced the royalty repatriation will be permitted.

Franchises *not* on the sector list must receive approval to operate. The Government of Tunisia has indicated the franchises in all sectors will be able to operate in Tunisia. The approval is just an extra step the franchisee will have to take in order to start operations in Tunisia. The decisions will likely be made by the government weighing local competition and other factors.

If you are interested in entering the Tunisian market, please contact our Economic/Commercial Section.

## How to enter the market

**Attend the 2011 Tunisie Med Franchise Show!** We invite you to participate in the 2011 Tunisie Med Franchise Show (December 7-9). Organized by the Tunis Chamber of Commerce and Industry in collaboration with the Mediterranean Association of Chambers of Commerce and Industry (ASCAME), the show will allow you to canvas potential Tunisian franchisees and learn more about the market. Gold Key and matchmaking services are available.

**Can't make the show?** We can showcase your materials for you and relay information about potential franchisees. Please contact our Commercial Section.

## Tunisia at a glance

Middle-income Mediterranean country at the crossroads of Europe, Africa, and the Middle East

**Population:** 10.6 million (July 2011 Estimation)

**GDP Per Capita (PPP)** is \$7,704 (2010)

(higher than Morocco, and similar to Algeria, Peru, and Dominican Republic)

**Language:** Arabic and French, some English

#### **Market Overview:**

**Growth:** Average 5% growth 2004-2008, 3% in 2009, 3.7% in 2010, 0% in 2011.

**Business climate:** Ranked best in North Africa for doing business by World Bank 2012 (published Oct 2011); good intellectual property protection.

**Infrastructure/Transport:** Sound infrastructure and port facilities and good air/sea links with Europe and neighboring countries.

**Strong U.S. Ties:** Longstanding trade relationship between the United States and Tunisia, including a Trade Investment Framework Agreement (TIFA) and Bilateral Investment Treaty (BIT).

**Trade Agreements:** Free trade in goods with EU, free trade agreements with Algeria, Libya and Agadir countries.

## Existing Franchises

Some examples of franchises already operating in Tunisia:

- Ramada (Hotel, U.S.)
- Benetton (Clothing retail, EU)
- Carrefour (Hypermarket/Grocery, EU)